

FISCAL NOTE

HB 1888 - SB 2019

February 29, 2007

SUMMARY OF BILL: Permits University of Tennessee system employees to have employee organization membership dues deducted from such employee's compensation if at least two-hundred-fifty (250) employees file a written request with the administrative head of the system.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$3,840 Recurring
\$500 One-Time**

Assumptions:

- Each addition of an employee organization to the system's payroll system will require one-time computer programming changes.
- Each system change is estimated to increase state expenditures by approximately \$1,920 for ongoing maintenance per employee organization.
- Two employee organizations added.
- Estimated increase in recurring state expenditures of \$3,840 per year (\$1,920 X 2 employee organizations = \$3,840) and an increase in one-time state expenditures of \$500 for initial setup and testing of two organizations.
- Data input costs, monthly reconciliations, payments to employee organizations, and other administrative costs are estimated to increase state expenditures by an insignificant amount.
- The continuation of such deductions from the employee's compensation, when the number of such employees drops below 250, is at the discretion of the administrative head of the agency.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director